

Continuing Disclosure Annual Report
For the City of Fremont/Fremont Public Financing Authority
2003 Revenue Bonds
(Local Improvement District 39R)
Fiscal year 2009/10

This report contains certain information required to be filed annually per SEC rule 15c2-12(b)(5) (the “Rule”) by the City of Fremont (the “City”) and the Fremont Public Financing Authority (the “Authority”). The Rule is applicable to the Revenue Bonds issued by the Authority pursuant to the authority granted by the Indenture of Trust dated January 14, 2003, between the Authority and the U.S. Bank (the “Trustee”), in the aggregate sum of \$14,835,000 (the “Bonds”).

SEC rule 15c2-12(b)(5) requires that an issuer undertake in a written agreement or contract, for the benefit of holders of the securities issued, to file the following:

- i. Certain financial and Bond information as presented in the Continuing Disclosure Certificates
- ii. Audited financial statements
- iii. Notice of certain enumerated significant events
- iv. Notice of any failure to provide such annual financial information as agreed

In compliance with SEC rule 15c2-12(b)(5), the Authority signed a Continuing Disclosure Certificate related to the Bonds on February 3, 2003. This certificate requires the Authority to make the various informational and event disclosures listed above either annually or within a reasonable time after their occurrence. These disclosures must be filed with the Electronic Municipal Market Access system (EMMA) operated by the SEC, and will include:

The City’s audited financial statements (which include the Authority as a component unit of the City and incorporate information regarding Local Improvement District No. 39 Reassessment District – the “Reassessment District”) prepared in accordance with generally accepted accounting principals as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board, and as further modified according to applicable State law. These financial statements include operating data with respect to the City for the fiscal period reported upon.

THE CITY’S ANNUAL FINANCIAL STATEMENT IS PROVIDED SOLELY TO COMPLY WITH THE SECURITIES and EXCHANGE COMMISSION STAFF’S INTERPRETATION OF RULE 15C2-12. NO FUNDS OR ASSETS OF THE CITY ARE REQUIRED TO BE USED TO PAY DEBT SERVICE ON THE BONDS AND THE CITY IS NOT OBLIGATED TO ADVANCE AVAILABLE FUNDS FROM THE CITY TREASURY TO COVER ANY DELINQUENCIES. INVESTORS SHOULD NOT RELY ON THE FINANCIAL CONDITION OF THE CITY IN EVALUATING WHETHER TO BUY, HOLD OR SELL THE BONDS.

A copy of the 2010 Comprehensive Annual Financial Report (CAFR) for the City of Fremont (for fiscal year 2009/10) is available on the City of Fremont's website at the following link:

→ <http://www.fremont.gov/index.aspx?NID=527>

1. The following additional information is to be disclosed regarding the Bonds and the Assessment Bonds:

i. The principal amount of the Bonds outstanding at June 30, 2010, was **\$810,000.**

ii. The balances in the Interest Account, the Principal Account, the Redemption Account and the Surplus Account of the Revenue Fund at June 30, 2010, were as follows:

→Interest Account & Principal Accounts	--- \$9
→Redemption Account	--- \$ 0
→Surplus Account	--- \$ 49204

iii. The total assessed value (per County Assessor records) of all parcels currently subject to assessment and overall lien-to-value ratio.

→ **\$408,750,463 Total assessed value of all parcels**

→ **.20% Overall lien-to-value ratio**

iv. If total delinquencies within the Assessment District as of October 1 of any year exceed 5% of the aggregate assessments for the previous fiscal year, then delinquency information must be provided, including the following: (a) list of all delinquent parcels, (b) length of delinquency, and (c) status of foreclosure proceedings.

→ **Not applicable.**

Reporting of Significant Events

Pursuant to the provisions of the Continuing Disclosure Certificates, the issuer shall give, or cause to be given, notice of the occurrence of any of the following events, if material:

- 1) Principal and interest payments delinquencies.
- 2) Non-payment related defaults.
- 3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- 4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- 5) Substitution of credit or liquidity providers, or their failure to perform.
- 6) Adverse tax opinions or events affecting the tax-exempt status of the security.
- 7) Modifications to rights of security holders.
- 8) Bond calls.
- 9) Defeasances.
- 10) Release, substitution, or sale of property securing repayment of the securities.
- 11) Rating changes.

→ No significant events, as defined above, occurred over the past fiscal year relating to the Bonds. The City and Authority are unaware of any instances of failure to provide annual financial information as agreed.

Dated: March 31, 2011

City of Fremont



By Harriet V. Commons,
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APPENDIX A

*City of Fremont
Audited Financial Statements
for the Fiscal Year Ended June 30, 2010*
